1 2	FEDERAL ELECTION COMMISSION	
3	FIRST GENE	RAL COUNSEL'S REPORT
4		- NATIO COO
5		MUR 7288 DATE FILED: October 23, 2017
6 7		DATE FILED: October 23, 2017 DATE OF NOTIFICATION: October 26, 2017
8	·	LAST RESPONSE RECEIVED: December 14, 2017
9		DATE ACTIVATED: February 28, 2018
10		
11		EARLIEST SOL: March 28, 2022
12		LATEST SOL: April 6, 2022
13		ELECTION CYCLE: 2018
14		
15	COMPLAINANT:	Foundation for Accountability and Civic Trust
16	DECRONDENIES	
17	RESPONDENTS:	DNC Services Corporation/Democratic National
18	•	Committee and William Derrough in his official
19		capacity as treasurer Team Tom
20 21		Tom Perez
22		TOTAL PETEZ
23	RELEVANT STATUTES	52 U.S.C. § 30125(a)
24	AND REGULATIONS:	11 C.F.R. § 300.2(b)
25	,	11 C.F.R. § 300.10
26		11 0.1.10 3 300.10
27		
28	INTERNAL REPORTS CHECKED:	Disclosure Reports
29		•
30	FEDERAL AGENCIES CHECKED:	Internal Revenue Service Section 527
31		Organization Reports
32		
33	I. INTRODUCTION	
34	The Complaint alleges that Tom	Perez, Chair of the Democratic National Committee
35	("DNC"), violated the soft money prohibitions of the Federal Election Campaign Act of 1971, as	
36	amended (the "Act"), by using non-feder	ral funds to pay the campaign debts of several of his
37	opponents in the election for DNC Chair	.1

Compl. at 1.

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1 As discussed below, we recommend that the Commission find no reason to believe that

2 Respondents violated 52 U.S.C. § 30125(a) and close the file.

3 II. FACTUAL BACKGROUND

- 4 On December 13, 2016, Team Tom registered with the Internal Revenue Service as a 527
- 5 organization to support Perez's candidacy for DNC Chair.² Team Tom disclosed contributions
- 6 totaling \$918,081 and expenditures totaling \$779,248 during the period from December 13, 2016
- 7 through June 30, 2017.³ The contributions were primarily from individuals, with a few from
- 8 labor unions, PACs and corporations, ranging from \$10 to \$33,400.4 Team Tom disclosed
- 9 salary payments to former and future DNC paid employees.⁵ After Perez won the election on
- 10 February 25, 2017, Team Tom made donations to three of Perez's opponents from the election:
- James "Jaime" Harrison, Jehmu Greene, and Sally Boynton Brown. Specifically, on March 28,
- 12 2017, Team Tom donated \$22,271 to Jaime for DNC Chair, Harrison's 527 organization. On

See 26 U.S.C. § 527; Team Tom Form 8871 (Political Organization Notice of 527 Status) (Dec. 13, 2016) (attached to DNC Resp. as Exhibit A); Compl. at 2; DNC Resp. at 1. Team Tom's Form 8871 listed its purpose as "[t]o accept contributions and to make expenditures supporting or opposing candidates to federal, state, or local office or office in a political organization," later amended to "[f]or political purposes including to advocate for or against political candidates." Team Tom Amended Form 8871 (Mar. 1, 2017) (DNC Resp. Ex. B). The Complaint alleges that Perez established Team Tom. See Compl. at 2.

Team Tom Form 8872 (Jan. 30, 2017); Team Tom Form 8872 (July 31, 2017). We use the terms "contribution" and "expenditure" as the terms are used in the IRS reporting context.

See, e.g., Team Tom Form 8872 at 12 (\$33,400 contribution from PAC), 33 (\$10 contribution from an individual) (July 31, 2017) (DNC Resp. Ex. E).

One individual, Clayton Cox, was a paid staff member of the DNC before Perez's campaign for DNC Chairman with the last salary payments made by DNC on December 15, 2016 and December 30, 2016 for \$2,279 and \$956, respectively. DNC 2016 Amended Year-End Report at 5075 and 5231 (June 1, 2017). The DNC paid \$2,000 to Sam Cornale for GOTV canvassing on November 10, 2016. DNC 2016 Post-General Report at 16129 (Dec. 8, 2016).

⁶ Compl. at 2. According to the Complaint, all three dropped out of the race before the election and endorsed Perez. *Id.*

⁷ Id.; Team Tom Form 8872 (Political Organization Report of Contributions and Expenditures) at 69 (July 13, 2017) (DNC Resp. Ex. E); Jaime for DNC Chair Form 8872 at 11 (July 10, 2017) (reporting the contribution as \$22,270). See also Jaime for DNC Chair Form 8871 (DNC Resp. Ex. D).

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- 1 April 3 and April 6, 2017, Team Tom donated \$5,000 each to Brown's and Greene's 527
- 2 organizations, We the DNC and Jehmu for DNC, respectively.8
- The Complaint alleges that, because Perez became both an officer and an agent of the
- 4 DNC when he was elected Chair, Team Tom's transfer of non-federal funds after that date to
- 5 Perez's opponents for DNC Chair violated the prohibitions on a national party committee, its
- 6 officers, and its agents spending, donating, directing, or transferring non-federal funds. 9 In
- 7 support of the allegation that Perez was acting with express or implied authority on behalf of the
- 8 DNC and not in his individual capacity, the Complaint points to three things. First, it cites a
- 9 press account in which DNC Communications Director's explains that "Tom had leftover funds
- after the DNC race and was happy to help other candidates who asked for help with their
- campaign debt;" according to the Complaint, the fact that the DNC Communications Director
- 12 commented on Perez's activity is evidence that Perez was acting on behalf of the DNC.¹⁰
- 13 Second, it cites a statement in the same press account by Perez's opponent Jaime Harrison that
- "Tom's staff" asked "if they could be helpful" to Harrison; according to the Complaint, the
- 15 reference to "Tom's staff" is likely a reference to DNC staff and, therefore, demonstrates that

Compl. at 2-3; DNC Resp. at 2 and Team Tom Form 8872 at 80, 85 (July 13, 2017); We the DNC Form 8872 at 12 (July 14, 2017). See also We the DNC Form 8871 (DNC Resp. Ex. F). Jehmu for DNC registered as a 527 organization but did not file a Form 8872 disclosure report. See Jehmu for DNC Form 8871 (DNC Resp. Ex. G). The Complaint alleges that Perez maintained and controlled Team Tom at the times it made all three donations to Perez's former opponents. See Compl. at 2-3.

⁹ Compl. at 4.

Id. at 4 (citing Maggie Stevens, DNC's Perez Covered Debt of Rival-Turned-Supporter After Chairmanship Race, POLITICO, July 12, 2017, attached to Complaint as Exhibit A). The DNC Communications Director making that statement, Xochitl Hinojosa, was also identified in Team Tom's initial filing with the Internal Revenue Service as Team Tom's Treasurer, Custodian of Records, and contact person, though Team Tom had a different officer in those positions at the time the donations at issue in this matter were made. See Team Tom Form 8871 (Dec. 13, 2016) (naming Hinojosa); Team Tom Amended Form 8871 (Mar. 1, 2017) (attached to DNC Resp. as Exhibit B and naming different individual as Treasurer, Custodian of Records, and contact person); Team Tom Amended Form 8871 (Mar. 24, 2017) (attached to DNC Resp. as Ex. C and naming yet another individual as Treasurer, Custodian of Records, and contact person).

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- 1 Perez was acting on behalf of the DNC and not in his individual capacity. 11 Finally, according to
- 2 the Complaint, Perez did not act in his individual capacity because he did not use personal funds
- 3 for the payments to his former opponents. 12
- The DNC responds that the donations were not made by the DNC or on its behalf, were
- 5 not made for a DNC purpose, and were not controlled by the DNC.¹³ The DNC asserts that it
- 6 did not establish, finance, maintain, or control Team Tom and states that the sole officer of Team
- 7 Tom with authority to make those disbursements was Team Tom's Custodian of Records, who
- 8 was not employed by the DNC and did not act at its direction. 14 The DNC notes that the
- 9 Complaint does not allege any facts concerning Perez's direct involvement in Team Tom's
- donations and argues that, even assuming Perez was involved, the donations would have been
- 11 permissible because the disbursements were related to the Chair's race and were not made on
- behalf of the DNC itself, in connection with DNC activity, or in connection with an election that
- 13 is subject to the Act. 15

As for the communications cited in the Complaint, the DNC responds that there is

15 nothing questionable about a DNC staff person fielding a question directed to the DNC or

16 knowing about publicly disclosed donations months after they occurred. 16 Further, the DNC

¹¹ Compl. at 4-5.

¹² *Id.* at 5.

DNC Resp. at 1. Neither Perez nor Team Tom responded to the Complaint.

¹d. at 2-4. Team Tom's Custodian of Records during the campaign for DNC Chair, Xochitl Hinojosa, is now the DNC's Communications Director; it appears that she began her employment with the DNC in March 2017 after the election for DNC Chair. See supra n.10. Her first salary payment from the DNC is disclosed as made on March 15, 2017. DNC 2017 April Monthly Report at 2714 (Apr. 20, 2017).

DNC Resp. at 1, 4-5.

¹⁶ *Id*. at 4.

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- dismisses as "mere speculation" the Complaint's assertion that the reported reference to Perez's
- 2 "staff" likely referred to DNC staff, noting that Team Tom had its own staff. 17

III. LEGAL ANALYSIS

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The DNC, as a national committee of a political party, may not solicit, receive, or direct to

6 another person a contribution, 18 donation, 19 or transfer of funds or any other thing of value, or

spend any funds that are not subject to the limitations, prohibitions, and reporting requirements

of the Act.²⁰ This prohibition applies to any such national committee, to any officer or agent

acting on behalf of such national committee, and any entity that is directly or indirectly

established, financed, maintained, or controlled by such a national committee.²¹

⁷ Id.

A "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 52 U.S.C. § 30101(8)(A). The election of DNC Chairman is not an election for federal office and so the funds raised and spent for that election are not contributions under the Act. See 52 U.S.C. § 30101(1) (defining "election"); 11 C.F.R. § 100.2(a) (defining "election" by reference to federal office).

For purposes of this provision, a "donation" means a "payment, gift, subscription, loan, advance, deposit, or anything of value given to a person, but does not include contributions." 11 C.F.R. § 300.2(e).

²⁰ 52 U.S.C. § 30125(a)(1); 11 C.F.R. § 300.10(a)(1) and (2).

⁵² U.S.C. § 30125(a)(2); 11 C.F.R. § 300.10(c)(1). The national party committee non-federal fund prohibition also applies to any entity that is directly or indirectly established, financed, maintained, or controlled ("EFMC'd") by a national committee. See 52 U.S.C. § 30125(a)(2); 11 C.F.R. § 300.10(c)(2); see also 11 C.F.R. § 300.2(c) (defining "directly or indirectly establish, finance, maintain, or control"). While the Complaint alleges that Perez EFMC'd Team Tom, the Complaint does not allege, or provide facts in support of a finding, that the DNC EFMC'd Team Tom. See Prohibited and Excessive Contributions: Non-Federal Funds or Soft Money, 67 Fed. Reg. 49064, 49088 (July 29, 2002) ("Soft Money E&J"); Advisory Opinion 2004-25 (Corzine) at 2 ("the plain language of both the Act and the Commission's regulations specifically limit application of these restrictions to national party committee officers and agents only when such individuals are acting on behalf of the national party committee").

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1 Perez, as DNC chair, was a DNC officer at the time Team Tom (which raised and spent non-Federal funds²²) made donations to Perez's prior opponents.²³ For purposes of the national 2 3 party committee non-federal fund prohibition, Commission regulations define an "agent" as any person who has actual authority either express or implied, to: (1) to solicit, direct or receive any 4 5 contribution, donation or transfer of funds, or (2) to solicit any funds for, or make or direct any 6 donations to an organization described in 26 U.S.C. § 501(c) and exempt from taxation under 7 26 U.S.C. § 501(a) or an organization described in 26 U.S.C. § 527 (other than a political 8 committee).²⁴ The Commission has explained, however, that an agent of a national party 9 committee that is acting on his own and not acting on behalf of the party committee can raise non-federal funds for other political parties and outside groups.²⁵ In particular, the Commission 10 11 has addressed circumstances where a national party official may wear multiple hats, explaining 12 that a national party committee officer may raise non-federal funds for a state party committee, for example, if not acting as an agent of the national party committee.²⁶ 13

See 52 U.S.C. § 30125 (a)(1) and 11 C.F.R § 300.2(k); 52 U.S.C. §§ 30116 (a) and 30118(a); see also supra n.4 (citing a report indicating Team Tom's receipts from prohibited sources and in amounts exceeding the Act's limits).

See DNC Services Corporation, Our Leaders, https://www.democrats.org/person/tom-perez (last visited June 27, 2018) (listing "Tom Perez, Chair" first under the "DNC Officers" heading).

²⁴ 11 C.F.R. § 300.2(b)(1)(i) and (ii).

See Definition of "Agent" for BCRA Regulations on Non-Federal Funds or Soft Money and Coordinated and Independent Expenditures, 71 Fed. Reg. 4975, 4979 (Jan. 31, 2006).

See Soft Money E&J, 67 Fed. Reg. at 49083 ("individuals, such as State party chairmen and chairwomen, who also serve as members of their national party committees, can ... wear multiple hats, and can raise non-Federal funds for their State party organizations without violating the prohibition against non-Federal fundraising by national parties"); see also McConnell v. Federal Election Commission, 540 U.S. 93, 157 (2003) (noting that national party non-federal fund prohibition does not restrict national party officials from soliciting non-federal funds in their non-individual, official capacities as officers of state party committees, if they simultaneously hold such offices in addition to national party office); Advisory Opinion 2004-25 (Corzine) at 2 (concluding that a national party committee officer's donation of personal funds made solely at his own discretion, without express or implied

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Upon becoming Chair of the DNC, Perez presumably had authority to raise, spend, donate, or transfer funds on behalf of, or as an agent of, the DNC in some capacity due to his status as chair. But the Commission has made clear that this status is not sufficient to establish the agency relationship, explaining that "it is not enough that there is some relationship or contact between the principal and agent; rather, the agent must be acting on behalf of the principal to create potential liability for the principal. This additional requirement ensures that liability will not attach due solely to the agency relationship, but only to the agent's performance of prohibited acts for the principal."²⁷ While the available information does not indicate Perez's specific role in the formation and operation of Team Tom, his close relationship with Team Tom is indicated by his website, www.tomperez.org. The website, which relates solely to Perez's campaign for DNC Chair, with a banner, "Why I'm Running for DNC Chair," contains a Team Tom logo and a disclaimer that it is paid for by Team Tom. 28 Nevertheless, the available information does not indicate that Perez was acting as an agent of the DNC when Team Tom, a separate entity, donated funds to his opponents for DNC Chair.

Nor does it otherwise appear that Team Tom was established, financed, maintained or controlled by the DNC. For example, the DNC never disclosed any payments to Team Tom. Nor does the available information indicate that the DNC played a role in fundraising for Team

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authority from, or on behalf of, the national party committee for which he is an officer, would not be acting on behalf of that national party).

Soft Money E&J, 67 Fed. Reg. at 49083.

See https://www.tomperez.org.

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36 37 MUR 7288 (DNC Services Corporation/Democratic National Committee, et al.) First General Counsel's Report Page 8 of 8

- 1 Tom, or that the DNC paid or otherwise controlled Team Tom's officers.²⁹ Therefore, we
- 2 recommend that the Commission find no reason to believe that Perez, the DNC, or Team Tom
- 3 violated 52 U.S.C. § 30125(a).

4 IV. RECOMMENDATIONS

- 1. Find no reason to believe that the DNC Services Corporation/Democratic National Committee and William Derrough in his official capacity as treasurer violated 52 U.S.C. § 30125(a);
 - 2. Find no reason to believe that Team Tom violated 52 U.S.C. § 30125(a);
 - 3. Find no reason to believe that Tom Perez violated 52 U.S.C. § 30125(a);
 - 4. Approve the attached Factual and Legal Analysis;
 - 5. Approve the appropriate letters; and
 - 6. Close the file.

Lisa J. Stevenson Acting General Counsel

Date

Kathleen M. Guith
Kathleen Guith
Associate General Counsel for Enforcement

Mark Allen
Mark Allen

Assistant General Counsel

Assistant General Counsel

Dellet K. Rigs Delbert K. Rigsby

Attorney

Attachment

38 Factual and Legal Analysis

See supra n.14 (Xochitl Hinojosa). Nor did the DNC pay the other individuals who served as Team Tom officers, Sonja Hoover and Jane Farrell, while they held those positions. See Team Tom Amended Form 8871 (Mar. 1, 2017, Mar. 24, 2017) (DNC Resp. Exs. B and C).

1 2	FEDERAL ELECTION COMMISSION	
3	FACTUAL AND LEGAL ANALYSIS	
4 5 6 7 8 9	RESPONDENTS: DNC Services Corporation/Democratic National Committee and William Derrough in his official capacity as treasurer Team Tom Tom Perez	
10 11	I. INTRODUCTION	
12	The Complaint alleges that Tom Perez, Chair of the Democratic National Committee	
13	("DNC"), violated the soft money prohibitions of the Federal Election Campaign Act of 1971, as	
14	amended (the "Act"), by using non-federal funds to pay the campaign debts of several of his	
15	opponents in the election for DNC Chair. 1	
16	As discussed below, the Commission finds that there is no reason to believe that	
17	Respondents violated 52 U.S.C. § 30125(a).	
18	II. FACTUAL BACKGROUND	
19	On December 13, 2016, Team Tom registered with the Internal Revenue Service as a 527	
20	organization to support Perez's candidacy for DNC Chair. ² Team Tom disclosed contributions	
21	totaling \$918,081 and expenditures totaling \$779,248 during the period from December 13, 2016	
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- labor unions, PACs and corporations, ranging from \$10 to \$33,400.⁴ Team Tom disclosed salary
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- 3 February 25, 2017, Team Tom made donations to three of Perez's opponents from the election:
- 4 James "Jaime" Harrison, Jehmu Greene, and Sally Boynton Brown. Specifically, on March 28,
- 5 2017, Team Tom donated \$22,271 to Jaime for DNC Chair, Harrison's 527 organization. On
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⁶ Compl. at 2. According to the Complaint, all three dropped out of the race before the election and endorsed Perez. *Id.*

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- 1 DNC and not in his individual capacity, the Complaint points to three things. First, it cites a
- 2 press account in which DNC Communications Director's explains that "Tom had leftover funds
- 3 after the DNC race and was happy to help other candidates who asked for help with their
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- 5 commented on Perez's activity is evidence that Perez was acting on behalf of the DNC.¹⁰
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- 13 not made for a DNC purpose, and were not controlled by the DNC.¹³ The DNC asserts that it
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- 15 Tom with authority to make those disbursements was Team Tom's Custodian of Records, who

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^{11 .} Compl. at 4-5.

¹² *Id.* at 5.

DNC Resp. at 1. Neither Perez nor Team Tom responded to the Complaint.

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Page 4 of 7

- 1 was not employed by the DNC and did not act at its direction. 14 The DNC notes that the
- 2 Complaint does not allege any facts concerning Perez's direct involvement in Team Tom's
- 3 donations and argues that, even assuming Perez was involved, the donations would have been
- 4 permissible because the disbursements were related to the Chair's race and were not made on
- 5 behalf of the DNC itself, in connection with DNC activity, or in connection with an election that
- 6 is subject to the Act. 15
- 7 As for the communications cited in the Complaint, the DNC responds that there is
- 8 nothing questionable about a DNC staff person fielding a question directed to the DNC or
- 9 knowing about publicly disclosed donations months after they occurred. ¹⁶ Further, the DNC
- dismisses as "mere speculation" the Complaint's assertion that the reported reference to Perez's
- "staff" likely referred to DNC staff, noting that Team Tom had its own staff. 17

12 III. LEGAL ANALYSIS

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The DNC, as a national committee of a political party, may not solicit, receive, or direct to another person a contribution, ¹⁸ donation, ¹⁹ or transfer of funds or any other thing of value, or

¹⁴ Id. at 2-4. Team Tom's Custodian of Records during the campaign for DNC Chair, Xochitl Hinojosa, is now the DNC's Communications Director; it appears that she began her employment with the DNC in March 2017 after the election for DNC Chair. See supra n.10. Her first salary payment from the DNC is disclosed as made on March 15, 2017. DNC 2017 April Monthly Report at 2714 (Apr. 20, 2017).

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For purposes of this provision, a "donation" means a "payment, gift, subscription, loan, advance, deposit, or anything of value given to a person, but does not include contributions." 11 C.F.R. § 300.2(e).

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- spend any funds that are not subject to the limitations, prohibitions, and reporting requirements
- 2 of the Act.²⁰ This prohibition applies to any such national committee, to any officer or agent
- 3 acting on behalf of such national committee, and any entity that is directly or indirectly
- 4 established, financed, maintained, or controlled by such a national committee.²¹
- 5 Perez, as DNC chair, was a DNC officer at the time Team Tom (which raised and spent
- 6 non-Federal funds²²) made donations to Perez's prior opponents.²³ For purposes of the national
- 7 party committee non-federal fund prohibition, Commission regulations define an "agent" as any
- 8 person who has actual authority either express or implied, to: (1) to solicit, direct or receive any
- 9 contribution, donation or transfer of funds, or (2) to solicit any funds for, or make or direct any
- donations to an organization described in 26 U.S.C. § 501(c) and exempt from taxation under
- 11 26 U.S.C. § 501(a) or an organization described in 26 U.S.C. § 527 (other than a political
- 12 committee).²⁴ The Commission has explained, however, that an agent of a national party
- 13 committee that is acting on his own and not acting on behalf of the party committee can raise

⁵² U.S.C. § 30125(a)(1); 11 C.F.R. § 300.10(a)(1) and (2).

⁵² U.S.C. § 30125(a)(2); 11 C.F.R. § 300.10(c)(1). The national party committee non-federal fund prohibition also applies to any entity that is directly or indirectly established, financed, maintained, or controlled ("EFMC'd") by a national committee. See 52 U.S.C. § 30125(a)(2); 11 C.F.R. § 300.10(c)(2); see also 11 C.F.R. § 300.2(c) (defining "directly or indirectly establish, finance, maintain, or control"). While the Complaint alleges that Perez EFMC'd Team Tom, the Complaint does not allege, or provide facts in support of a finding, that the DNC EFMC'd Team Tom. See Prohibited and Excessive Contributions: Non-Federal Funds or Soft Money, 67 Fed. Reg. 49064, 49088 (July 29, 2002) ("Soft Money E&J"); Advisory Opinion 2004-25 (Corzine) at 2 ("the plain language of both the Act and the Commission's regulations specifically limit application of these restrictions to national party committee officers and agents only when such individuals are acting on behalf of the national party committee").

See 52 U.S.C. § 30125 (a)(1) and 11 C.F.R § 300.2(k); 52 U.S.C. §§ 30116 (a) and 30118(a); see also supra n.4 (citing a report indicating Team Tom's receipts from prohibited sources and in amounts exceeding the Act's limits).

See DNC Services Corporation, Our Leaders, https://www.democrats.org/person/tom-perez (last visited June 27, 2018) (listing "Tom Perez, Chair" first under the "DNC Officers" heading).

²⁴ 11 C.F.R. § 300.2(b)(1)(i) and (ii).

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- 1 non-federal funds for other political parties and outside groups.²⁵ In particular, the Commission
- 2 has addressed circumstances where a national party official may wear multiple hats, explaining
- 3 that a national party committee officer may raise non-federal funds for a state party committee,
- 4 for example, if not acting as an agent of the national party committee.²⁶

Upon becoming Chair of the DNC, Perez presumably had authority to raise, spend, donate, or transfer funds on behalf of, or as an agent of, the DNC in some capacity due to his status as chair. But the Commission has made clear that this status is not sufficient to establish the agency relationship, explaining that "it is not enough that there is some relationship or contact between the principal and agent; rather, the agent must be acting on behalf of the principal to create potential liability for the principal. This additional requirement ensures that liability will not attach due solely to the agency relationship, but only to the agent's performance of prohibited acts for the principal." While the available information does not indicate Perez's specific role in the formation and operation of Team Tom, his close relationship with Team Tom is indicated by his website, www.tomperez.org. The website, which relates solely to Perez's campaign for DNC Chair, with a banner, "Why I'm Running for DNC Chair," contains a Team

See Definition of "Agent" for BCRA Regulations on Non-Federal Funds or Soft Money and Coordinated and Independent Expenditures, 71 Fed. Reg. 4975, 4979 (Jan. 31, 2006).

See Soft Money E&J, 67 Fed. Reg. at 49083 ("individuals, such as State party chairmen and chairwomen, who also serve as members of their national party committees, can ... wear multiple hats, and can raise non-Federal funds for their State party organizations without violating the prohibition against non-Federal fundraising by national parties"); see also McConnell v. Federal Election Commission, 540 U.S. 93, 157 (2003) (noting that national party non-federal fund prohibition does not restrict national party officials from soliciting non-federal funds in their non-individual, official capacities as officers of state party committees, if they simultaneously hold such offices in addition to national party office); Advisory Opinion 2004-25 (Corzine) at 2 (concluding that a national party committee officer's donation of personal funds made solely at his own discretion, without express or implied authority from, or on behalf of, the national party committee for which he is an officer, would not be acting on behalf of that national party).

²⁷ Soft Money E&J, 67 Fed. Reg. at 49083.

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- 1 Tom logo and a disclaimer that it is paid for by Team Tom.²⁸ Nevertheless, the available
- 2 information does not indicate that Perez was acting as an agent of the DNC when Team Tom, a
- 3 separate entity, donated funds to his opponents for DNC Chair.
- 4 Nor does it otherwise appear that Team Tom was established, financed, maintained or
- 5 controlled by the DNC. For example, the DNC never disclosed any payments to Team Tom.
- 6 Nor does the available information indicate that the DNC played a role in fundraising for Team
- 7 Tom, or that the DNC paid or otherwise controlled Team Tom's officers.²⁹ Therefore, the
- 8 Commission finds that there is no reason to believe that Perez, the DNC Services Corporation/
- 9 Democratic National Committee, or Team Tom violated 52 U.S.C. § 30125(a).

See https://www.tomperez.org.

See supra n.14 (Xochitl Hinojosa). Nor did the DNC pay the other individuals who served as Team Tom officers, Sonja Hoover and Jane Farrell, while they held those positions. See Team Tom Amended Form 8871 (Mar. 1, 2017, Mar. 24, 2017) (DNC Resp. Exs. B and C).